

Memorandum

To: Members, Energy Strategy Advisory Committee

Cc: Tony Usibelli  
Howard Schwartz

From: Senator Karen Fraser

Re: Comments on Energy Issues and Recommendations

Date: November 12, 2002

As we near the end of our advisory process I want to share a suggestion for the final structure of the report. Ultimately, a state energy strategy is of the most value if it actually guides program decisions and if we can measure the results against our stated goals. I am concerned that we may be generating so many tactical recommendations that it will be difficult for an agency facing resource constraints to implement them. We might be better off to focus on a handful of key goals and agree on how we would measure our progress in accomplishing them.

For example, in the section on electricity conservation we have nine listed recommendations. Most of them are specific tactics to reach the broader goal of achieving all cost-effective conservation. That goal is a measurable result we can track over time. We can certainly list the tactics that might be useful in achieving our goal, but I would not imply they are equal in importance or make their specific implementation the ultimate goal. If a particular set of tactics is not achieving the result, we should try others.

I have attached an example of how a redraft might look for your reaction and consideration. This is not meant to be a comprehensive proposal. I have asked Tony Usibelli to see if the issues and recommendations paper could be reorganized in this format for our consideration. Again, my goal is that any recommendations the strategy ultimately includes be specific and measurable. If you have any questions or comments please let me know. I look forward to our continuing discussions.

## **DRAFT FORMAT FOR ENERGY STRATEGY RECOMMENDATIONS**

### **Goal: Ensure adequate and affordable energy supplies**

How Measured:

- Reserve margins
- Increase in resources actually on line
- Percentage of low-income households who receive bill assistance and weatherization

Possible Methods:

- Support federal funding of bill assistance and weatherization
- Continue state tax credits
- Explore ways to increase cost-based utility owned generation
- Examine regulatory processes to ensure that load-serving entities maintain sufficient margins
- Oppose federal efforts to impose standard market design on the region

### **Goal: Secure all cost-effective conservation**

How Measured:

- Compare state achievements to regional projections (NWPPC?)

Possible Methods:

- Urge NWPPC to reestablish “Red Book” as an assessment tool
- Urge new rate designs to encourage conservation and efficiency
- Investigate demand management programs and policies
- Investigate setting appliance and equipment efficiency standards where not preempted
- Support tax incentives for conservation
- Support stable, long-term investments in conservation

**Goal: Increase renewable energy's share of state generation by x % over 5 years**

How Measured:

- Use current Energy Policy performance measure data

Possible Methods:

- Adopt portfolio standard
- Increase tax incentives for renewables
- Support research and development for renewables
- Increase public sector purchase of renewable energy

**Goal: Reduce the effects of electricity generation and consumption on the state's air quality, water quality and quantity, fish and wildlife, and greenhouse gas profile**

How Measured:

- Compare figures to 2002 baseline for each area

Possible Methods

- Adopt explicit GHG standards for all new generation
- State should fully implement sustainability executive order
- Adopt air quality standards that apply to temporary generation
- Improve turbine efficiency
- Enact EFSEC environmental standards for new generation

**Goal: Improve the state's energy security**

How Measured:

- Reliability data?
- Measures of system redundancy?

Possible Methods:

- Support new transmission and transmission upgrades
- Maintain emergency contingency plans and staffing

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